

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Appellant: Lawrence

Application Serial No.: 09/812,628

Filing Date: March 20, 2001

For: AUTOMATED ACCOUNT RISK
MANAGEMENT

Confirmation No.: 1331

Group Art Unit: 3692

Examiner: Jennifer Liversedge

REPLY TO EXAMINER'S ANSWER

Attorney Docket No.: G08.126

PTO Customer Number 28062

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Sir:

In reply to the Examiner's Answer mailed on June 4, 2007, the following remarks are respectfully submitted.

Appellant generally stands on the arguments contained in the Appeal Brief. Appellant acknowledges and agrees with the Examiner's clarification in section (10) strictly as it relates the "Lent", "Walker" and "Greene". However, Appellant refutes the Examiner's Response to Arguments, section (10) of the Examiner's Answer, with respect to the Examiner's assertion of the establishment of a prima facie case of obvious and the claimed "reputational risk".

Regarding claims 1 – 3, 5 – 9, 11, and 20 the Examiner argues Stewart discloses wherein one seeking to open an account provides personal information, a customer is evaluated, a determination of products for which the customer qualifies is made. The Examiner then reiterates arguments that if a client were known to have committed crimes or embezzled funds, then a high reputational risk would be associated with the client whereas if the client were known to be honest then a low reputational risk would be associated with the client. The Examiner's Answer further states that "[T]he Examiner does not dispute that Stewart discloses credit score and credit rating and that these two measures do not encompass the full meaning of reputational risk as being one's standing in the industry; however, as cited in the rejection, these are parts of reputational risk, as a quantifiable means of determining one's likelihood of maintaining an account where Stewart discloses determining and quantifying customer risk using logistical-regression model (weighted factors) to predict risk associated with the potential account holder. The other aspects of reputational risk associated with one's professional standing in an industry, and taking this into account when deciding whether to open an account or not, is common sense and old and well known." (Examiner's Answer, page 16 – 17)

Appellant respectfully disagrees with the Examiner's Answerer with regard to Stewart's disclosure of "reputational risk", including aspects thereof as claimed by Appellant. In particular, Appellant notes that Stewart states,

[0020] An authorization system 60 is used to validate consumer identity and to assess customer risk, unique financial product usage, demographic knowledge at a household-level-assessment, and cross-sell

qualification. An example of such a system is the QUALIFILE-brand authorization system. QUALIFILE is a service mark registered in the name of ChexSystems, Inc., a wholly-owned subsidiary of eFunds Corp. The authorization system 60 uses a logistic-regression model to predict the likelihood of financial (and particularly debit) account-related abuse. The authorization system 60 uses customer data such as the customer's social security number, driver's license number, and address to calculate the risk that an account will be closed for abuse at a later date, and delivers to the financial institution 10 the action to take on a deposit account inquiry based on predefined criteria set up by the financial institution 10. The authorization system 60 also calculates the cross sell opportunity for additional debit and/or credit products for a consumer. Based on a credit score and key demographic variables determined by the authorization system 60, the authorization system 60 can recommend which other products, if any, to offer to the customer 20.

[0021] An automated search routine within the authorization system 60 also checks customer data against restricted lists published by the United States Treasury Department Office of Foreign Assets Control (OFAC) to maintain OFAC compliance. This search includes enhanced name/foreign translation mapping to provide matching capabilities with low false-positive responses. (emphasis added) (See Stewart, paragraphs 20 – 21)

Thus, it is clear that the cited and relied upon Stewart specifically provides an explicit listing of the criteria used in determining “the likelihood of financial and particularly debit account-related abuse”. Contrary to the Examiner’s characterization, Stewart discloses using clearly defined and quantified factors such as credit scores, known demographic data (e.g., address), social security and driver’s license numbers, and the inclusion on OFAC lists. Each of these Stewart criteria are known strict values (even the presence on the OFAC list can be represented as a binary value).

Appellant therefore reiterates that Stewart in no way discloses the claimed “risk quotient criteria associated with a reputational risk of opening the client account, wherein said reputational risk relates to a professional standing in an industry of an account opening entity” since Stewart is specifically and entirely related to known financial and demographic numerical data. Furthermore, Stewart does not take into account or consider larger over-riding factors such as Appellant’s claimed reputational risk in an industry that are not captured by credit scores and demographic data.

Appellant therefore submits that the reversal of the pending rejection of claims 1– 3, 5 – 9, 11, and 20 is in order.

As required, this Reply Brief is submitted within two months after the mailing of the Examiner's Answer.

If any issues remain, or if the Examiner or the Board has any further suggestions for expediting allowance of the present application, kindly contact the undersigned using the information provided below.

Respectfully submitted,

August 6, 2007
Date

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